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EXECUTIVE SECRETARY
FILE NO: 24419.101

June 18, 2001

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

PAID T.R.A.	
Chk #	4033656
Amount	25.00
Rcvd By	JP
Date	6-19-01

RE: Petition for Authority to Transfer Control of Utilities, Inc. to Nuon NV

Dear Mr. Waddell:


01-00543

Enclosed herewith for filing with the Regulatory Authority, please find an original and four copies of the above captioned Petition for Authority to Transfer Control along with a check in the amount of \$25.00 for filing fees.

Also enclosed is a duplicate of this letter attached to a copy of the Petition. Please stamp the duplicate and return same in the self-addressed, stamped envelope.

Thank you for your attention to this matter.

Sincerely,


Edward S. Finley, Jr.

Petition for Authority to)
Transfer Control of Utilities,) Docket. No. _____
Inc. to Nuon, NV)

PETITION FOR AUTHORITY TO TRANSFER CONTROL

Utilities Inc. provides water service to the Chalet Village Subdivision in Sevier County, Tennessee through its wholly-owned operating subsidiary, Tennessee Water Service, Inc. pursuant to a Certificate of Public Convenience and Necessity granted in January, 1984, in Docket No. U-83-7240. Because Tennessee Water Service Inc. ("TWS") will continue to provide service in Tennessee as a wholly-owned subsidiary of Utilities Inc., no transfer of operating authority is sought in connection with this transaction.

THE PARTIES

1. The name, address, and telephone number of the
Transferor is:

Utilities Inc.
2335 Sanders Road
Northbrook, IL 60062-6196
(847) 498-6440

2. The name, address, and telephone number of the proposed
Transferee is:

Nuon, N.V.
Spaklerweg 20
Amsterdam, The Netherlands

3. Questions about this application should be directed to
Edward S. Finley, Jr.:

Edward S. Finley, Jr.
Hunton & Williams
One Hannover Square
421 Fayetteville Street Mall
Suite 1400
Raleigh, NC 27601
(919) 899-3021

TRANSFER OF CONTROL

4. Nuon has reached an agreement with Utilities Inc.
whereby Nuon will acquire all of Utilities Inc.'s outstanding
stock, subject to all necessary regulatory approvals. A copy of
the Agreement will be provided upon request.

5. After the transfer of control, TWS Inc. will continue to
operate as it has in the past, using the same name, tariff and
operating authority. Thus the transfer of control will be

transparent to, and will have no adverse impact upon TWS Inc.'s customers.

QUALIFICATIONS OF TRANSFEREE

6. Nuon is a corporation duly organized and existing under the laws of The Netherlands. Its principal office is located at Spaklerweg 20, Amsterdam, The Netherlands. Nuon is The Netherlands' second largest provider of electric, gas and water utilities services. Nuon develops and markets products and services related to energy and water products. Nuon develops renewable "green" energy projects such as small-scale hydroelectricity, wind and solar technology.

7. Nuon had revenues of more than 3.5 billion Euros in fiscal year 2000. Nuon employs more than 9,000 people.

8. In 1997, Nuon acquired North Coast Energy Inc., a Twinsburg, Ohio based provider of natural gas. In 2000, Nuon and United Kingdom water firm Biwater created international water company Cascal. Also in 2000, Nuon acquired NORIT, one of Europe's leading suppliers of water purification solutions for the food and beverage industry with offices in Marshall, Texas and Pryor, Oklahoma. Nuon also holds an equity stake in Green Mountain Energy, an Austin, Texas based provider of electricity to residential, commercial and industrial customers.

9. Utilities Inc. is a holding company for approximately 80 subsidiary operating companies that provide residential water and/or wastewater services to more than 235,000 customers in 16

states. Utilities Inc., through its operating subsidiary, serves approximately 500 water customers in Tennessee.

10. Under new ownership, TWS Inc. will continue to be led by the same team of well-qualified water service professionals. Information concerning TWS Inc.'s legal, technical, managerial and financial qualifications to provide water services was submitted with its application for certification filed with the TRA and is, therefore, a matter of record with the TRA. In addition, these personnel will be able to draw upon the financial resources of Nuon.

11. Should the merger receive regulatory approval, the companies will continue to maintain Utilities Inc.'s headquarters, corporate staff and administrative facilities in Northbrook, Illinois.

PUBLIC INTEREST

12. Nuon's acquisition of Utilities Inc.'s stock provides Utilities Inc. and its operating subsidiaries with additional financial resources that will enhance the ability of the operating subsidiary in Tennessee to grow and meet its service obligations.

13. The acquisition will not adversely affect the ability of Utilities Inc.'s operating subsidiary in Tennessee to provide water service to its customers.

14. The effect of the acquisition on Utilities Inc.'s financial condition and its ability to thrive in a rapidly

changing and increasingly competitive water and wastewater utility environment will be positive and will benefit the Tennessee consumers.

15. The acquisition of the Utilities Inc. stock by Nuon is justified by the public convenience and necessity.

16. Attached as Exhibit A are balance sheets for Nuon for the last three years.

WHEREFORE, Nuon respectfully requests that the TRA *immediately* authorize the transfer of control of Utilities Inc. to Nuon so that the transaction may proceed without undue delay.

Respectfully submitted this the 18th day of June, 2001.

Nuon NV

By: Edward S. Finley, Jr.
Edward S. Finley, Jr.
Hunton & Williams
421 Fayetteville Street Mall
Suite 1400
Raleigh, NC 27601

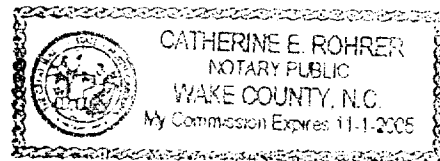
VERIFICATION

Edward S. Finley, Jr., being duly sworn according to law,
upon his oath deposes and says:

1. I am the local counsel for Utilities Inc. and am
authorized to verify the foregoing application.
2. I have read the foregoing application, and the
statements therein are true of my own knowledge, except to those
matters which are therein stated on information and belief and as
to those matters, I believe them to be true.

Ed S Finley, Jr.
Edward S. Finley, Jr.

Sworn to and subscribed before me
this 18th day of June, 2001.



Catherine E. Rohrer

Notary Public:

For the County of Wake
State of North Carolina

My Commission Expires: 11-1-2005

Consolidated balance sheet after allocation of income of nv Nuon

EUR 1 million

Assets	31-12-2000		31-12-1999
Non Current Assets			
Intangible assets		535	288
Property, plant and equipment:			
- buildings and land	463		408
- plant equipment and machinery	4,733		4,386
- Other equipment, construction in progress and prepayments on projects	319		225
		5,515	5,019
Other non-current financial assets			
- affiliated companies and receivables from affiliated companies	147		81
- deferred tax assets	615		615
- other securities and receivables	45		73
		807	769
Total non-current assets		6,857	6,076
Current assets			
Inventories	101		48
Receivables, prepayments and accrued income	761		1,779
Securities	182		8
Cash and cash equivalents	270		2
Total current assets		1,314	1,837
Total		8,171	7,913

Liabilities and stockholder's equity

Shareholder's equity			
- authorized and issued	501		566
- share premium	844		812
- other reserves	2,554		2,333
		3,899	3,711
Minority interest		17	8
		3,916	3,719
Equalization accounts		888	749
Provisions		906	950
Long-term debt			
- subordinated convertible loans	94		20
- subordinated loans	241		153
- other long-term debts	1,098		1,194
		1,433	1,367
Short-term borrowings and deferrals		1,028	1,128
Total		8,171	7,913

Consolidated statements of income of nv Nuon

EUR 1 million

Year	2000	1999
Net sales		
- electricity	2,006	1,871
- gas	1,341	1,070
- heat	48	47
- water	104	99
- energy and water related products	217	204
	<u>3,716</u>	<u>3,291</u>
Cost of sales	<u>2,330-</u>	<u>2,004-</u>
Gross margin	1,386	1,287
Capitalized production for captive use	93	86
Other operating income	<u>60</u>	<u>33</u>
	<u>153</u>	<u>119</u>
Grossmargin and other operating income	1,539	1,406
Costs of work contracted out and other external costs	390-	338-
Staff costs	353-	351-
Amortization and depreciation	293-	252-
Other operating costs	<u>80-</u>	<u>57-</u>
Total operating costs	<u>1,116-</u>	<u>998-</u>
Operating Income	423	408
Interest received and similar income	36	19
Interest paid and similar expenses	<u>121-</u>	<u>155-</u>
	<u>85-</u>	<u>136-</u>
Earnings Before Tax	338	272
Tax	2-	0
Earnings from nonconsolidated companies	<u>9-</u>	<u>1</u>
Group income	327	273
Minority interest	1	0
Extraordinary items after taxes	<u>24</u>	<u>703</u>
Net income	352	976
Earnings per share		
Group income	327	273
Net income	352	976

Weighted average number of common shares outstanding during the year	x 1.000	100,140	100,000
Weighted average number of common shares outstanding during the year including shares to be issued	x 1.000	122,640	103,834
Weighted average number of common shares outstanding during the year including maximum shares to be issued	x 1.000	128,854	104,384
Group income per common share in euros		3.27	2.73
Diluted group income per common share in euros		2.67	2.63
Fully diluted group income per common share in euros		2.54	2.62
Net income per common share in euros		3.51	9.76
Diluted group net per common share in euros		2.87	9.40
Fully diluted net income per common share in euros		2.73	9.35

Consolidated statements of cash flows of nv Nuon

EUR 1 million

Year	2000		1999	
Cash flows from operating activities				
Net income		423		408
Depreciation and amortization		293		252
Changes in working capital:				
- (increase) decrease inventories	53-		-	
- l(increase) decrease in current receivables and prepaid expenses	1,018		759-	
- (increase) decrease securities	174-		8-	
- (increase) decrease current liabilities and accrued liabilities	<u>100-</u>		<u>316-</u>	
		691		1,083-
(Decrease) increase in provisions		44-		552
Financial income		36		19
Financial expenses		121-		155-
Extraordinay items		24		703
Results relating to unconsolidated companies		9-		1
Minority interests		1		-
Tax		<u>2-</u>		<u>-</u>
Net cash provided by operating activities		1,292		697
Cash flows from investing activities				
Purchase of intangible assets	281-		132-	
Capital expenditures on property, plant and equipment	454-		442-	
Proceeds from disposals of property, plant and equipment	4		42	
Other changes in property, plant and equipment	35-		3	
(Purchase of) proceeds from other non-current financials	35-		192	
Purchase of business	307-		290-	
Results relating to unconsolidated companies	9		1-	
Increase minority interests	9		8	
Equalization account	174		139	
Currency translation differences	<u>10-</u>		<u>-</u>	
Net cash used for investing activities		926-		481-
Cash flows from financing activities:				
Proceeds from issuance of long-term debt				
- subordinated convertible loans	74		20	
- convertible loans	97		-	
- private and green borrowings	414		190	
- other long-term debt	<u>22</u>		<u>3</u>	
	607		213	
Principal payments on long-term debt				
- subordinated convertible loans	9-		56-	
- risk-bearing borrowings	6-		5-	
- private and green borrowings	515-		417-	
- other long-term debt	<u>11-</u>		<u>-</u>	
	541-		478-	

Other movements:

- effect of changes in exchange rates and consolidations on cash positions

- capital issuing

- payments of conversion certificates

- proposed dividend

- special dividend rights

Net cash used for financing activities

Cash provided by (used for) continuing operations

Cash and cash equivalents at beginning of year

Cash and cash equivalents at end of year

8

8

59-

115-

6-

164-

1

-

46

54-

7-

14-

98-

279-

268

63-

2

270

65

2

(consolidated figures)

24

Financial figures (in NLG million)		1999	1998
Net sales		7,254	7,425
Gross margin		2,837	2,591
Income from normal operations		599	460
Income after taxes		2,150	501
Expenditures for property, plant and equipment		973	827
Cash flow		2,705	1,110
Property, plant and equipment		11,060	10,128
Shareholders' equity		8,177	6,056
Balance sheet total		17,439	15,124
Shareholders' equity as % of balance sheet total (solvency)		46.9%	40.0%
Gross margin in % of sales		39.1%	34.9%
Income from normal operations in % of sales		8.3%	6.2%
Operating costs in % of sales		30.3%	28.6%
Property, plant and equipment in % of sales		76.8%	83.5%
Income from normal operations per share, in NLG		5.77	4.43
Net income per share, in NLG		20.71	4.83
Workforce (at December 31)			
Number of employees, in fte's		6,919	7,360
Sales			
Electricity	GWh	26,951	26,691
Gas	x 1 million m ³	6,002	5,999
Heat	x 100 TJ	44	36
Water	x 1 million m ³	97	53
Customers (at December 31)			
Electricity		2,608,516	2,540,242
Gas		1,910,749	1,800,649
Heat		57,208	53,924
Water		560,944	283,248
Renewable energy			
Renewable energy generated	GWh	560	508

The 1998 balance sheet figures relate to the situation at January 1, 1999, after adjustment of the accounting principles. Insofar as applicable, the 1993 statement of income figures have been adjusted to reflect the effects of the standardization of the principles of valuation of assets and liabilities and of determination of income.

	2019	2018	2017
Noncurrent assets			
Intangible noncurrent assets	635	405	288
Property, plant and equipment	11,060	10,128	5,019
Financial noncurrent assets	1,695	2,094	769
	13,390	12,627	6,076
Current assets			
Inventories	106	105	48
Receivables and transitory items	3,940	2,250	1,788
Cash and cash equivalents	3	142	2
	4,049	2,497	1,838
Total assets	17,439	15,124	7,914

Shareholders' equity	8,177	6,056	3,711
Minority interest	19	2	8
	8,196	6,058	3,719
Equalization accounts	1,651	1,409	749
Provisions	2,093	876	950
Long-term debt	3,013	3,598	1,367
Short-term borrowings and deferrals	2,486	3,183	1,129
Total equity and liabilities	17,439	15,124	7,914

	1995		1994	
	1995	1994	1995	1994
Net sales	7,254		3,291	
Purchasing costs	4,417-		2,004-	
Gross margin		2,837		1,287
Capitalized production for captive use	189		86	
Other operating income	73		33	
		262		119
Gross margin and other operating income		3,099		1,406
Costs of work contracted out and other external costs	745-		338-	
Staff costs	775-		352-	
Amortization and depreciation	555-		252-	
Other operating costs	126-		57-	
Total operating costs		2,201-		999-
Operating income		898		407
Interest received and similar income	43		19	
Interest paid and similar expenses	342-		155-	
		299-		136-
Income from normal operations		599		271
Corporation tax		0		0
Income after taxes		599		271
Earnings from nonconsolidated companies		2		1
Group income		601		272
Minority interest		0		0
Net income before extraordinary items		601		272
Extraordinary items after taxes		1,549		703
Net income		2,150		975

	2014	2013
Cash flow from operational activities		
Net result after taxes	2,150	975
Amortization and depreciation	555	252
Cash flow	2,705	1,227
Provisions from acquisitions	78	35
Other changes in provisions	1,139	517
Changes in working capital	2,387-	1,083-
	1,170-	531-
Cash flow from operational activities	1,535	696
Cash flow from investment activities		
Property, plant and equipment from acquisitions	930-	422-
Investments/divestments in PP&E	873-	396-
Investments/divestments in financial noncurrent assets	421	191
Installation contributions, investment premiums and subsidies from acquisitions	34	15
Other installation contributions, investment premiums and subsidies	272	124
Change in minority interest in equity of Group companies	17	8
Cash flow from investment activities	1,059-	480-
Cash flow from financing activities		
Long-term debt of acquisitions	190	86
Other additions from long-term debt	279	127
Repayment of long-term debt	952-	432-
Currency translation differences	3	1
Proposed dividend and special profit rights	135-	61-
Cash flow from financing activities	615-	279-
	139-	63-
Cash and cash equivalents at January 1	142	64
Cash and cash equivalents at December 31	3	1